

**Veterans Services Foundation
Board of Trustees
Meeting Minutes
March 27, 2008**

A meeting of the Veterans Services Foundation (VSF) Board of Trustees was held on March 27, 2008, at the Pocahontas Building, 900 East Main Street, Richmond.

Members Present

- Vincent Burgess
- Supriya Christopher
- Paul Galanti
- Leroy Gross
- Adam Harrell
- Frank Wickersham
- Kathleen Wilder

Members Absent

- Margaret Eure
- Frederic Leigh
- Raymond Smoot

Others Present

- Sam Wilder, Chairman, Joint Leadership Council of Veterans Service Organizations (JLC)
- Don Ferguson, Office of the Attorney General
- Flora Hezel, Office of the Attorney General
- Anne Atkins, Director of Communications, DVS
- Tasmyn Childress, Administrative Office Specialist, DVS
- Steven Combs, Director of Policy and Planning, DVS
- Jack Hilgers, Development Coordinator, DVS
- Armistead Ransone, Director of Finance and Administration, DVS
- Judy Reid, IT Program Assistant, DVS
- Terrance Eglund, Industrial College of the Armed Forces, National Defense University
- Dan Robinson, Bearing Point Inc.
- Joan Baker Washburn, Community Development Director, Military Family Support Center, Roanoke

Materials Distributed as part of Agenda Packet

- Agenda
- Draft Minutes of the November 15, 2007 meeting
- Veterans Service Fund Report: November 26, 2003 to February 29, 2008
- VSF Balance Sheet 2003-2007
- DVS Bill Tracking Matrix, dated 3/25/08
- DVS FY09/FY10 Budget, as agreed to by the House/Senate Conference Committee
- Summary of VSF-related legislation passed by the 2008 General Assembly
- VSF By Laws – Updated Draft, dated 3/27/08
- DVS Policy 34 (DRAFT) – Inter-relationships between DVS, BVS, JLC and VSF, dated 3/27/08
- VSF Action Plan Subcommittee – Action Plan update, dated 3/17/08
- VSF Procedures for Committee Meetings
- DVS Policy 3X (DRAFT) – Veterans Services Fund – In-Kind Donations
- Letter from Commissioner Burgess to the members of the Board of Trustees re the Avenue of Flags project at the Albert G. Horton, Jr. Memorial Veterans Cemetery

Other Materials Distributed

- Veterans Services Foundation brochure
- Report to the Veterans Services Foundation by Joan Washburn

Opening and Pledge of Allegiance

Frank Wickersham welcomed everyone, and called the meeting of the Veterans Services Foundation (VSF) Board of Trustees to order at 10:40 a.m. Leroy Gross led the Board in reciting the Pledge of Allegiance to the American Flag.

Roll Call of Members and Quorum Determination

The roll was called with seven of the ten members recorded as present. A quorum was determined.

Review and Approval of Meeting Minutes

The minutes of the November 15, 2007 meeting were reviewed. A **motion** was made by Paul Galanti, and seconded by Vince Burgess, to approve the minutes as written. The decision was unanimous to approve the minutes as written.

Board of Veterans Services Report

Discussion led by BVS Chairman Paul Galanti:

Mr. Galanti reported that the Department of Veterans Services did very well with obtaining funding through the General Assembly, considering the tight budget this year. He expressed his disappointment that the TurboVet Initiative was not included in the Governor's introduced budget, nor were the TurboVet budget amendment requests accepted. He stated that he met with 12 legislators – six from the Senate and six from the House – to discuss funding for TurboVet, and that through the efforts of Delegate Cox and Senator Stosch in the Conference Committee, \$100,000 for TurboVet was included in the Conference Committee budget.

Joint Leadership Council of Veterans Service Organizations Report

Discussion led by JLC Chairman Sam Wilder:

Mr. Wilder said that in his opinion, this year the General Assembly provided the best funding ever for veteran issues – support that has continued to improve over the last five years. He noted that at the JLC Day at the General Assembly, more legislators wished to speak to the JLC than there was time available.

Mr. Wilder stated that while he was very pleased with how things went during the session, he thought that a few things could have gone better. He shared the JLC Lessons Learned sheet with the Foundation. He first noted the positives, which included the JLC Day at the General Assembly and the large number of co-sponsors for veterans bills. He also praised the efforts of the JLC members to follow the bills through the legislative process. On the downside, he noted that he would have liked better unity among the JLC members regarding legislative objectives, that he would have liked better coordination with the Governor's office, and that some legislators are still not aware of the JLC and its legislative objectives. He also expressed his concern over prioritizing legislative objectives, and stated that in his opinion, the TurboVet Initiative should have been supported by both a bill and a budget amendment, not just by a budget amendment.

Mr. Wilder noted that the JLC has already begun working on its 2009 legislative objectives, and that TurboVet would remain a top priority. Other potential priorities include real estate tax relief for 100% disabled veterans and tax relief for citizen-soldiers called to active duty. Since these issues require a change to Virginia's constitution, they were automatically deferred to the next session.

Mr. Wilder thanked Ms. Washburn for all that she has done to raise private funds for the Wounded Warrior Mental Health Initiative. He added that he thought the DVS should develop a handout to support Wounded Warrior fundraising efforts. He asked that something be developed by April 9, when he would attend a forum for service academy graduates in the Richmond area. He concluded by stressing the need for publicity to support Wounded Warrior fundraising efforts.

Department of Veterans Services Report

Discussion led by Commissioner Burgess:

2008 General Assembly Session

Commissioner Burgess thanked Mr. Hilgers, Mr. Combs, and Ms. Mead for their efforts during the 2008 General Assembly Session, particularly on the Wounded Warrior Mental Health Initiative. He also thanked Delegate Cox and Senator Puller for sponsoring the Wounded Warrior legislation. Commissioner Burgess noted that the bills passed unanimously, and that \$4.5 million over two years was appropriated to support the Wounded Warrior Initiative.

Virginia is for Heroes Conference

Commissioner Burgess briefed the Foundation on the first regional “Virginia is for Heroes” conference, which was held on March 26, 2008 in Hampton Roads. He said that the event received extensive media coverage. He added that additional regional conferences are planned.

Wounded Warrior Mental Health Program

Commissioner Burgess thanked Ms. Washburn for hosting a very successful fundraiser in Richmond in support of the Wounded Warrior Program. He went on to explain that the Department was preparing initial budget and operations plans to implement the program, and discussed potential partnerships that would support Department efforts. He concluded by noting the critical role the Foundation would play in raising private funds for this effort.

Mr. Gross asked the Commissioner to provide additional background information on the Wounded Warrior Mental Health Program.

Commissioner Burgess explained that many soldiers who served in the Global War on Terror are affected either mentally or physically, and that this impacts their family members. The Commissioner said he believes that soldiers are falling through the cracks because they don’t have access to mental health services or don’t seek mental health care because of the stigma attached. He said that the Wounded Warrior Mental Health Program will help these veterans to access mental health services and will help provide a community safety net. He noted that the Department would channel funds to community mental health providers to support direct services to veterans and their families.

Town Hall Meetings

Commissioner Burgess reported that DVS has partnered with the JLC – and in particular, with the American Legion and the VFW – to host a series of Town Hall meetings around the state. He said that he hopes that issues raised at the Town Hall meetings will impact the JLC’s 2009 Legislatives Objectives.

Mr. Hilgers took a moment to point out that the picture on the VSF pamphlet is not of the VSF headquarters, but rather is of the Sitter & Barfoot Veterans Care Center. Mr. Ferguson added that it might appear that money is going to the headquarters and not to supporting veteran’s issues. Mr. Ferguson suggested that the photo be properly identified.

Southwest Virginia Veterans Cemetery

Commissioner Burgess said that the property for the Southwest Virginia Veterans Cemetery would be transferred to the state in late summer or early fall, and that a ceremony will be held to mark the event. He said that the cemetery is expected to open in late summer or early fall of 2010.

DVS Staff Changes

Commissioner Burgess noted that John Anderson is the new Director of the Department's Benefits Services section, and that his office is in Roanoke.

TurboVet

Commissioner Burgess stated that the National Defense University (NDU) has approached the Department with a proposal to validate the TurboVet proof of concept software developed by Stratizon Corporation. After the validation process, the information will be used to show the U.S. Department of Veterans Affairs that TurboVet should be adopted nationwide. NDU is seeking federal funding to develop a pilot program that could eventually be rolled out nationwide. He said that DVS had received \$100,000 in the FY09 budget to support continued development of the TurboVet Project.

Virginia War Memorial

Commissioner Burgess noted that legislation passed by the 2008 General Assembly transfers administrative support for the Virginia War Memorial from the Department of General Services to the Department of Veterans Services. The change is effective July 1.

Virginia's Veterans Population

Commissioner Burgess concluded by saying that the USDVA had developed a new forecasting model, which places the number of veterans in Virginia at 807,000. This is up from 728,000 in the old model. Virginia is now 8th in the nation in veteran population, up from 11th.

Veterans Services Fund Quarterly Report

Discussion led by Jack Hilgers and Armistead Ransone:

VSF Balance Sheet

Mr. Hilgers called the members attention to the VSF Balance Sheet for 2003-2007. He noted that this balance sheet should not be confused with the quarterly cash balance sheet, which will be presented by Mr. Ransone. Mr. Hilgers said that the VSF Balance Sheet for 2003-2007 is similar to balance sheets found in corporate reports, and had been produced to show General Assembly members that the Foundation has been active for the past four years in raising, receiving, and disbursing funds and other donations. For the period, the VSF has received \$233,000 in contributions, and the Veterans Services Fund has generated over \$41,000 in interest. He noted that while unrestricted cash contributions were low, restricted contributions totaled over \$232,000, most of which is earmarked for the care centers and cemeteries. Mr. Hilgers stated that the in-kind donations also show that the VSF has solicited and accepted donations in support of Department programs. He said that the record shows that over the last

four years, the Foundation has made a significant impact in managing donated funds and in providing those funds to the care centers and to the McGuire VA Medical Center (walking trail).

Veterans Service Fund Report: November 26, 2003 to February 29, 2008

Mr. Ransone reported that the Veterans Services Fund beginning balance was \$268,000 in November 2003, all of it unrestricted. The current balance is over \$265,000 in unrestricted funds and \$131,000 in restricted funds. He said that the restricted funds are designated to support projects at the care centers and cemeteries.

Mr. Ransone said that the Veterans Services Fund has generated almost \$37,000 in interest. He stated that \$39,000 in unrestricted funds had been spent, including \$14,000 for a training conference, \$8,000 for the Virginia Veterans Care Center, and \$10,000 for portraits of Colonels Sitter and Barfoot.

Mr. Gross asked for a more detailed explanation of the cash balance entry of \$167,361.89. Mr. Ransone explained that this amount includes the following expenditures: \$39,000 in unrestricted funds, \$472 in restricted funds to support cemetery operations, \$112,000 in restricted funds to support the Virginia Veterans Care Center, and \$14,000 in restricted funds to support the Sitter & Barfoot Veterans Care Center. He said that the current cash balance is \$396,782.47, of which \$265,259.59 is unrestricted and \$131,522.88 is restricted.

Results of the 2008 General Assembly Session

Discussion led by Steven Combs and Jack Hilgers:

DVS Bill Matrix

Mr. Combs brought the members attention to the DVS Bill Matrix, which was used to track veteran and military-related legislation that was before the 2008 General Assembly. He noted that TurboVet, which was the JLC's top legislative priority, is not on the sheet because it was a budget issue and not a legislative issue. Mr. Combs said that three budget amendment requests had been submitted in support of TurboVet, but than none were included in the House or Senate budgets. He said that Governor Kaine submitted a budget amendment request for \$300,000 in FY08, and that Delegate Cole and Senator Edwards submitted budget amendment requests for \$900,000 in FY09 and \$250,000 in FY10. He noted, however, that the budget approved by the House/Senate Conference Committee did include \$100,000 for TurboVet, as part of the \$4.5 million for the Wounded Warrior Mental Health Program.

Mr. Combs reported that the Virginia War Memorial received an additional commitment of \$2 million in state funding, bringing the total state commitment to \$6 million. This must be matched by \$2 million in private funding.

Mr. Combs then briefly reviewed the DVS Bill Matrix provided to the members.

DVS FY09/FY10 Budget, as agreed to by the House/Senate Conference Committee

Mr. Combs told the Foundation members that the FY09/10 sheet shows the history of funding for the Department from FY05 to FY08. He pointed out that funding has more than doubled, as

have the number of positions authorized for the department. The reflects expansion in the benefits, cemeteries, education, and administrative sections, but is primarily driven by the opening of the Sitter & Barfoot Veterans Care Center and budget and staff increases for the Virginia Veterans Care Center. He said that the increased funding and position levels speaks to the efforts of all board members, and to the broad, bi-partisan support the Department has received from the Executive and Legislative branches.

Mr. Combs reported that the Governor's introduced budget included a specific appropriation of \$75,000 in Nongeneral funds, which is included in the care center budget. This appropriation gives the Department the authority to spend \$75,000 in donated funds to support care center and cemetery services. In previous years, donated funds were spent as part of the care center's operating budget. The new appropriation gives the Department a specific appropriation for donated funds.

Mr. Combs covered the appropriation for the Wounded Warrior Mental Health Initiative, pointing out that the Department received an appropriation of \$4.5 million in General funds and \$300,000 in Nongeneral funds for the biennium. The Nongeneral fund appropriation is \$150,000 per year, and can come from grants, private donations, or other sources.

Mr. Combs concluded by briefly covering the Summary of Capital Budget Appropriation for the biennium, which included funds for maintenance projects and the Southwest Virginia Veterans Cemetery.

Action Plan Sub-Committee (APSC)

Discussion led by Jack Hilgers:

Report on Changes to the Code of Virginia as they relate to the VSF

Mr. Hilgers reported that House Bill (HB) 229, patroned by Delegate Cosgrove, incorporated several parallel House bills as identified in the Bill Matrix presented by Mr. Combs. The companion bill to HB229 was Senate Bill (SB) 760, patroned by Senator Wagner, which incorporated Senator Locke's SB521. He said that HB229 passed the legislature and was approved by the Governor. He noted that HB229 contains all of the Code changes recommended by the VSF board at its last meeting. In addition, the bill clarifies the authority of the Department and the Commissioner.

Mr. Hilgers brought the members attention to the summary sheet distributed as part of the agenda packet, which details the changes to the Code of Virginia that will take effect on July 1, 2008. He pointed out that:

- Changes to §2.2-2001 directs DVS to establish guidelines for the determination of eligibility for Virginia-domiciled veterans and their spouses, orphans, and dependents for participation in programs and benefits administered by the Department
- A new section – §2.2-2001.1 – establishes the Wounded Warrior Mental Health Program
- Changes to §2.2-2004 give the Department additional authority to serve qualifying members of the Virginia National Guard and Virginia residents in the Armed Forces Reserves

- Changes to §2.2-2681 makes the Chairman of the VSF an *ex officio* member of the JLC
- Changes to §2.2-2715
 - Make the JLC Chairman an *ex officio* member of the VSF
 - Establish the VSF as a body politic and corporate supporting the Department of Veterans Services, rather than an advisory foundation
 - Clarify that the mission of the Foundation is to
 - Administer the Veterans Services Fund (the Fund)
 - Provide funding for veterans services and programs in the Commonwealth through the Fund, and
 - Raise revenue from all sources including private source fundraising to support the Fund
 - Add eight additional citizen members to the Foundation – five to be appointed by the House of Delegates, three by the Senate
 - Change the term of service for Foundation members from three years to four
 - Adds the stipulation that a majority of the members of the Foundation Board of Trustees should have extensive fundraising experience in the private sector
- Changes to §2.2-2716 clarify that the Foundation has the authority to “*Develop* other possible dedicated revenue sources for the Fund.” The current language states that the Foundation has the authority to “*Make recommendations concerning* other possible dedicated revenue sources for the Fund”

Mr. Hilgers next brought the members’ attention to the enactment clauses that were included in the bills passed by the 2008 General Assembly. He said that enactment clauses are included at the end of a bill, give guidance on how the legislation should be interpreted, and may go away after their usefulness has been fulfilled. Significant enactment clauses included in this year’s legislation were:

- The enactment clause to HB229, which allows the terms of current Foundation members to be extended from three years to four
- The enactment clauses to HB477 and SB314, which stagger the terms of the eight new citizen board members to be appointed by the General Assembly
- The enactment clause to HB475, which states, in part, that “...the Veterans Services Foundation shall support the (Wounded Warrior Mental Health) program established by this act as a top priority of its fundraising efforts”

Mr. Hilgers noted that the legislative changes will affect the current version of the VSF By Laws, and that revisions to the By Laws will need to be made to ensure the By Laws comply with the Code changes. He said that a draft of the revised By Laws will be presented before the next board meeting for the members’ review.

Revised By Laws for Board Action

Mr. Gross stated that he believed the By Laws should be changed to use the term “Chair” instead of “Chairman.” Ms. Wilder added that the term “Chair” was used on other boards of which she is a member.

Mr. Hilgers reported that the proposed changes to the By Laws include some technical changes. He explained that technical changes are minor changes that correct minor anomalies. He said

that substantive changes to the By Laws reflect the changes agreed to by the members at the last VSF meeting. These changes include the addition of a second vice chair and the establishment of standing committees.

Mr. Hilgers next clarified a Freedom of Information Act (FOIA) change that relates to committee meetings. He said that if a committee is meeting with two board members present, and the two members form a quorum, then FOIA requires that the committee meeting be open to the public and that it must be announced at least three days ahead of time.

Ms. Wilder asked for clarification regarding situations in which two members of a committee might meet in a social setting, but where VSF business is discussed. Mr. Hilgers said that if business is conducted, and if the product of the meeting is brought before the VSF, then FOIA requirements apply. Ms. Hezel added that Marie Everett of the Virginia FOIA Advisory Council was a good resource to consult on FOIA issues.

Mr. Wilder asked if the state is allowed to use the monies in the Veterans Services Fund for any purpose, at any time. He asked how the monies were protected from being used for other purposes.

Mr. Hilgers replied that the Veterans Services Fund was a non-reverting trust fund on the books of the Comptroller, and monies in the Veterans Services Fund were thus protected against other uses by the state. He said that the Code of Virginia specifically provides for this protection.

Action Plan Milestones and Status

Mr. Hilgers drew the members attention to the Action Plan summary included in the agenda packet. He said that of the 18 action items, almost all have been completed, with a couple of items still pending. The most significant remaining item is the development of a strategic plan. He offered his opinion that the remaining items should be completed by the Executive Committee.

Adoption of the Revised By Laws

Discussion led by Chairman Wickersham:

Mr. Gross made a **motion** to adopt the By Laws. The motion was seconded by Mr. Harrell. Mr. Hilgers added that he would change the term "Chairman" to "Chair" when he makes the next revision to the By Laws. There was no further discussion, and the decision was unanimous to adopt the revised By Laws.

DVS Inter-Board Coordination Procedures

Discussion led by Steve Combs:

Mr. Combs reported that at Commissioner Burgess' request, the DVS team developed a draft policy to better coordinate the operations of the Department, JLC, VSF, and BVS, and to draw on the strengths of each board and its members. He called the members attention to the

procedures section on the second page, which covers the ways the organizations can work together. Mr. Combs then provided a brief overview of the functions of each board. The JLC's mission is to advise the Commissioner on issues of concern to veterans and their families. The JLC goals are captured in its annual list of legislative objectives. The BVS advises the Commissioner on matters related to the performance of his duties and establishes policies and procedures related to the delivery of veterans services. The VSF administers the Veterans Services Fund, raises funds to support veterans services, and makes expenditures from the Veterans Services Fund to support DVS programs and services.

Mr. Combs next gave an overview of how an identified need would be advanced from the JLC, which is in touch with the veterans community, to the BVS, which has insight on best practices and performance requirements. The BVS would validate the requirement and recommend to the DVS policies and procedures for action. If DVS has the internal resources to act, it could do so. If not, DVS could either initiate a budget or legislative request, or turn to the VSF as a potential resource for raising private funds.

Mr. Combs said that a need could be identified by the BVS, and would then be passed to the JLC for review. It would then go to the DVS, and the procedure would be as outlined above.

Mr. Hilgers added that the VSF Action Plan Sub-Committee (APSC) had thoroughly reviewed the policy, and that APSC Chairman Ray Smoot encouraged the VSF members to move forward with the initiative.

A **motion** was made by Mr. Galanti to adopt the DVS Policy on Inter-relationships between the DVS, BVS, JLC, and the VSF. The motion was seconded by Ms. Wilder. The policy was adopted unanimously.

Nomination and Election of 2nd Vice Chair

Discussion led by Chairman Wickersham:

Chairman Wickersham asked for nominations for the 2nd Vice Chair. Ms. Christopher nominated Ms. Wilder to be the 2nd Vice Chair. The nomination was seconded by Commissioner Burgess.

Mr. Harrell made a **motion** to close the nominations, and asked if Ms. Wilder was indeed willing to serve. She indicated that she was.

Chairman Wickersham announced the nomination of Ms. Wilder as the 2nd Vice Chair. With unanimous consent, Ms. Wilder was elected the new 2nd Vice Chair.

Appointment of members to Standing Committees

Discussion led by Chairman Wickersham:

Chairman Wilder noted that in accordance with the newly adopted By Laws, the VSF would have the following Committees:

- Finance Committee: Mr. Ray Smoot – Chair, Mr. Adam Harrell, and Ms. Margaret Eure
- Development Committee: Ms. Supriya Christopher – Chair, Mr. Frederic Leigh, and Ms. Kathleen Wilder
- Executive Committee: Chairman Frank Wickersham, 1st Vice Chair Leroy Gross, 2nd Vice Chair Kathleen Wilder, Finance Committee Chair Ray Smoot, and Development Committee Chair Supriya Christopher

Chairman Wickersham noted that as new Foundation members come on board after July 1, they will be appointed to committees. He said that the initial plan for the new members appointed by the General Assembly is for six of the new members to go to the Development Committee and two to the Finance Committee.

VSF Procedures for Committee Meetings

Discussion led by Chairman Wickersham:

Chairman Wickersham pointed the Foundation members to the handout – “VSF Procedures for Committee Meetings” – included in the agenda packet. He reminded the members to be aware of and abide by FOIA rules.

Chairman Wickersham said that committees can meet right before the scheduled VSF meetings for convenience.

Ms. Christopher asked if e-mail communications were acceptable under FOIA rules. Examples of such communications might include brainstorming ideas, coordination for future meetings, sub-committee operations, etc.

Ms. Hezel replied that if the goal was ultimately to act upon the issue, then e-mail communications could present a problem under FOIA. Mr. Hilgers added that electronic communication meetings are specifically covered under FOIA.

Mr. Hilgers stated that he and Mr. Combs are going to put together VSF Member Handbooks to assist members in their duties, and that the handbooks would contain information on FOIA.

Mr. Combs added that the DVS staff was ready at all times to assist the committees in their operations.

The VSF recessed for lunch at 12:22 p.m.

Chairman Wickersham called the meeting back to order at 1:04 p.m.

Proposal to have Executive Committee assume APSC Functions

Discussion led by Chairman Wickersham:

A **motion** was made by Mr. Gross to have the Executive Committee assume the functions of the APSC. The motion was seconded by Ms. Wilder. There was no discussion and the motion passed unanimously.

Draft VSF Policy on In-Kind Donations

Discussion led by Jack Hilgers and Steve Combs:

Mr. Hilgers provided an overview of the nature of in-kind donations, and gave examples of such donations. For example, in-kind donations of material and services were received to construct the walking trail at the McGuire VA Medical Center.

He told the members that the Draft VSF Policy on In-Kind Donations has been developed to help the Foundation accurately accept, account for, and use in-kind donations.

Mr Hilgers stated that no action was expected of the members at this meeting, and Mr. Combs added that policy was being presented for a “first read” by the members.

Mr. Combs stated that Appendix B of the draft policy has yet to be developed. He said that Appendix B would be a receipt form that would record the donor’s name, type of donation, and value of the donation. He emphasized that the donor, not the Department of Veterans Services or the Foundation, would put the value on the item. The value of the item, as identified by the donor, will help the Foundation more accurately capture the value of in-kind donations. Mr. Combs concluded by stating that the Foundation would keep a copy of the receipt to aid accurate record keeping.

Mr. Gross made a **motion** to table and refer the draft policy to the Finance Committee. The motion was seconded by Commissioner Burgess. The vote to table and refer was unanimous.

Proposal for funding Horton Cemetery Flag Poles and Flags

Discussion led by Commissioner Burgess:

Commissioner Burgess referred the Foundation members to the letter in the agenda packet. In the letter, the Commissioner requests \$4,564.50 in unrestricted funds from the Veterans Services Fund to complete the Avenue of Flags project at the Albert G. Horton, Jr. Memorial Veterans Cemetery.

Mr. Gross asked if the Foundation had appropriated funds from the Veterans Services Fund for the Department of Veterans Services to use on this type of project.

Mr. Combs explained that the Foundation had delegated authority to the Commissioner to approve the expenditure of up to \$10,000 for donations made for a specific purpose – in other words, restricted funds. He said that the Foundation granted the Commissioner this authority so that a restricted donation could be used right away for its intended purpose, rather than waiting for approval from the Foundation at the next VSF meeting. Mr. Combs said that the Foundation has never granted the Commissioner the authority to appropriate unrestricted funds.

Chairman Wickersham brought the members attention to the Veterans Services Fund balance sheet, which shows the cemeteries having \$6,716.32 in funds available. He asked if the funds were earmarked for operations, or if the could be used to support this request.

Mr. Combs explained that the \$6,716.32 is obligated (restricted) to specific purposes at the cemeteries. For example, approximately \$1,800 is obligated for the Avenue of Flags at the Amelia Cemetery. Other funds are dedicated for the purchase of benches or other items. Mr Combs stated that only about \$400 of the \$6,716.32 could be used for the Horton Cemetery Avenue of Flags.

Chairman Wickersham commented on the Avenue of Flags at the Amelia Cemetery. He asked if the donor could be contacted regarding the use of the money for the project at the Horton Cemetery. Mr. Combs responded that this was something the Department could research.

Mr. Galanti said that he believed that an American Legion Post would be a good donor for the Avenue of Flags project at the Horton Cemetery. He said he would approach Dale Chapman, Adjutant, American Legion Department of Virginia, and see if the Legion would take on this project.

A **motion** was made by Mr. Harrell and seconded by Ms. Wilder to refer the issue to the Finance Committee. Commissioner Burgess stated that he hoped the Finance Committee would act expeditiously so that the project could be completed in time for Memorial Day. The vote was unanimous to refer.

Care Center/Cemetery FY09 Budget Planning

Discussion led by Armistead Ransone:

Mr. Ransone reminded the members that they had approved, at the September 2007 meeting, a policy covering annual budget development for the care centers and cemeteries. The development and approval of an annual budget will help the Foundation and the Department plan for, manage, and expend donations for such projects as Operation Holiday Spirit. Mr. Ransone stated that the FY09 budget will be presented to the Foundation at the next meeting. He said that any necessary changes to the approved budget would be presented to the Foundation for further approval at subsequent meetings.

Chairman Wickersham asked how the Department would estimate the amount of money that would be donated in FY09. Mr. Ransone replied that the estimates would take into account the donations received over the past three years and prior experience at similar facilities.

Mr. Combs pointed to Operation Holiday Spirit at the Virginia Veterans Care Center, where approximately \$18,000 per year is spent on presents for residents. He said that this history will allow the Department to forecast donations and expenditures in coming year.

Mr. Ransone said that approximately \$131,000 was currently available for the care centers, but that only \$50,000 per year had been spent in recent years. He said that it was his belief that sufficient funds would be available to cover the proposed care center budget.

Commissioner Burgess asked how the Foundation would monitor the approved budget. Mr. Ransone explained that an expenditure report would be provided at the quarterly Foundation meetings, but that he could provide monthly reports if the members so desired.

Mr. Hilgers called the members attention to the requirement in the policy that a representative of the Foundation work with the Department to prepare the annual budgets. He said that a representative has yet to be appointed.

Proposed 2008 Board Meeting Schedule

Discussion led by Chairman Wickersham:

Chairman Wickersham proposed that the Foundation hold meetings on May 7, August 6, and November 5.

After discussion, a revised schedule was proposed, whereby meetings would be held on May 7, August 6, and November 12.

A **motion** was made by Mr. Gross to hold meetings on May 7, August 6, and November 12. The motion was seconded by Ms. Wilder. This schedule was approved unanimously.

New Business

Chairman Wickersham asked if there was other new business for the Foundation to address.

Terminology

Mr. Gross made a **motion** to change the designation from “Chairman” or “Chairmen” to “Chair” in Foundation usage. The motion was seconded by Ms. Wilder. Without further discussion, all members voted in favor.

TurboVet

Mr. Galanti told the Foundation that the top point of discussion for the Board of Veterans Services is the TurboVet initiative. He expressed his disappointment that the project was not

included in the Governor's introduced budget, and that the budget amendment requests were not acted upon.

Mr. Galanti said that there is the possibility that the U.S. Department of Veterans Affairs (USDVA) will fund the development of a TurboVet-type system. He said that the USDVA Secretary has recognized the need to develop a paperless claims filing system. Mr. Galanti said that the TurboVet system offers that solution. He said the USDVA Secretary has seen a PowerPoint presentation on the TurboVet system, but wants to see a live demonstration of the system's capabilities. He said that funds are needed to activate the state database that supports the TurboVet system.

Mr. Galanti made these requests of the Foundation:

1. That the Foundation provide \$25,000 to facilitate the live demonstration of the TurboVet system
2. That the Foundations' Finance Committee meet as soon as possible to:
 - a. Entertain a more structured presentation, which will aid in decision making
 - b. Make a favorable recommendation back to the full Foundation
3. That the Foundation act expeditiously so as not to miss the opportunity presented with the USDVA

Chairman Wickersham asked for clarification on the use of the \$25,000. Mr. Galanti said that the money would be used to reactivate the servers, which are currently housed at Emory University and contain the TurboVet data. The information on the servers would be used by the USDVA and by the National Defense University (NDU) to study the TurboVet system and validate the system developed for the Virginia Department of Veterans Services.

Commissioner Burgess explained that the \$25,000 was not just to turn on the servers at Emory University. He said that DVS would enter into an agreement with NDU to validate the proof of concept system developed for DVS. He stated that NDU would make sure that the proof of concept system actually works, and would recommend whether the Commonwealth should move forward with further development of the TurboVet system. He stated that the TurboVet system is good for the Commonwealth and is especially good for veterans, as it will significantly reduce the time needed to develop and process a disability claim. He added that the TurboVet system will make claims more accurate and more complete, which could lead to higher per claim awards.

Commissioner Burgess summarized that the agreement with NDU would:

- Validate that the system works as promised
- Demonstrate to the USDVA that the TurboVet concept is valid
- Position NDU to secure a USDVA contract to develop the system for nationwide deployment
- Position Virginia to be one of four or five pilot states for a national TurboVet-type system

Ms. Wilder asked what the deadline was for funding this request. Mr. Galanti replied that the funding is needed in April, and reiterated the immediate need for a TurboVet-type system.

Ms. Wilder asked about the consequences of not funding this request, specifically, if the Commonwealth would incur higher costs later if the request were not funded. Mr. Galanti replied that Virginia was the driver of this project, and that the opportunity was for Virginia to get in on the ground floor of a nationwide initiative and to serve Virginia veterans at the earliest opportunity.

Ms. Wilder expressed her enthusiasm for the project, and asked how the Foundation could “cut through the red tape” and act on the request. Chairman Wickersham replied that the Foundation had procedures for reviewing these types of requests, and that it was important to have answers to a number of questions. He asked who would own the software and who would receive the \$25,000. He said that if Virginia was going to pay for the software, then the presumption is that Virginia would own the software.

Commissioner Burgess stated that if the system is only deployed in Virginia to manage veterans cases in Virginia, then the state would own the software. He said that if the system is deployed nationwide, then the software would be owned by USDVA or by NDU.

Commissioner Burgess stated that the \$25,000 would go to NDU to answer the questions and accomplish the goals he outlined earlier in the meeting. He said that in order for NDU to do these things, funds are needed to do such things as access data on the servers, turn the TurboVet system on, and test the system.

Chairman Wickersham asked for clarification regarding the memorandum of understanding and the funding needed. Commissioner Burgess said that the memorandum would be between DVS and NDU, that he would sign for DVS and that the appropriate party would sign for NDU, and that DVS did not currently have the internal resources to pay NDU.

Commissioner Burgess introduced Mr. Terry Egland of NDU, and asked that he provide additional information.

Mr. Egland stated that he was a physician with the U.S. Navy and a professor at the National Defense University’s Industrial College of the Armed Forces. He said he taught military strategy and supply chain management. He stated that as a physician, he sees TurboVet as a service issue. He said that he had worked previously with Ned Hunter, CEO of the Stratizon Corporation – the company that developed the TurboVet system.

Mr. Egland said that many organizations – from the federal government, the states, and the Veterans Service Organizations (VSOs) – each had a piece of the service-delivery puzzle when it came to filing veterans disability claims, but that a way was needed to fit all pieces together. He said that he is trying to find a mechanism to fit all of this together. He added that the Stratizon Corporation owns the TurboVet system.

He said that he has proposed a way to bring all the pieces together to find the best solution by building on the TurboVet system. He said that there is an opportunity to find common ground among the federal government, the states, and the VSOs in order to meet the needs of veterans.

Commissioner Burgess pointed out that Virginia has spent \$98,000 to do a proof of concept of the TurboVet system, which proved that an automated claims processing system does work.

Mr. Egland said that the next step is to prove to the USDVA and the Congress that Virginia's system works. Mr. Egland said he is a neutral party – not part of the USDVA, which must rate the claims, not part of DVS, which has a duty to represent the veterans of Virginia, not part of the VSOs, which represent the veterans before the USDVA, and not a Stratizon employee. As a neutral party, he said he is simply trying to determine the best solution to the problem.

Commissioner Burgess reiterated that the Stratizon Corporation owns the TurboVet software, but said that Virginia would be building a case management system to assist Virginia's veterans, and that the case management system would tie into the national database developed by NDU. He said that Stratizon may or may not win the contract to build the national system – the final decision would be NDU's.

Chairman Wickersham asked for clarification regarding the use of the \$25,000, specifically, how the funds would be transferred to NDU. He asked if the funds would be provided to NDU as a direct grant.

Commissioner Burgess replied that DVS would not award NDU a \$25,000 grant. Rather, DVS would sign a contract with NDU, and NDU would draw down on the contract as they met certain goals or expectation.

Mr. Egland stated that in discussions with DVS, he anticipated that funds would be transferred in this manner:

- He would identify a specific requirement for which funding was needed, then develop an estimated cost for the requirement
- He would submit a voucher to DVS
- DVS would transfer the funds to NDU

Commissioner Burgess added that DVS was very familiar with working with a voucher system within a memorandum of agreement framework.

Ms. Christopher asked how long it would take to meet the goals outlined earlier in the meeting. Commissioner Burgess replied that DVS and NDU are "putting a 90-day window" on the memorandum of understanding. He pointed out that Mr. Egland would present not just to the USDVA, but to VSOs and to other states.

Mr. Galanti emphasized again the importance of the TurboVet system, the benefits it will bring to the veterans of Virginia, and that it is the top priority of the BVS and JLC.

Ms. Wilder expressed her opinion that since TurboVet is the top priority of the BVS and of the JLC, then it should be the top priority of the VSF.

Mr. Harrell asked for confirmation regarding the amount the Commonwealth has already committed to the TurboVet project. Commissioner Burgess replied that Virginia has spent \$98,000 to develop a proof of concept.

Chairman Wickersham asked if there would be a motion by the Department of Veterans Services for the Foundation to fund the \$25,000 request. Commissioner Burgess replied that it was not a Department motion, but rather a Board of Veterans Services motion.

Mr. Galanti said he had made the request in his capacity as a member of the Foundation, and also in his capacity as Chairman of the Board of Veterans Services. Chairman Wickersham noted that the request does not carry the weight of the full Board of Veterans Services, since the issue had not been discussed by the full BVS.

Ms. Wilder made a motion, assisted by Mr. Galanti, that \$25,000 be appropriated by the Veterans Services Foundation to the Department of Veterans Services. The motion was seconded by Mr. Harrell. Chairman Wickersham called for discussion on the issue.

Mr. Combs asked that he be allowed to ask two questions of Mr. Egland.

Mr. Combs first asked Mr. Egland to confirm that NDU did not have the internal resources to fund Mr. Egland's project. Mr. Egland confirmed that the NDU Industrial College of the Armed Forces (ICAF) did not have the resources to do so.

Mr. Combs next asked that Mr. Egland confirm the amount that the potential NDU contact with the USDVA was for \$5 million. Mr. Egland said that this was the amount that Stratizon was pursuing with the USDVA.

Mr. Combs asked Mr. Egland one follow-up question – to confirm that the USDVA was unwilling to fund the demonstration. Mr. Egland said that USDVA was unwilling to do so, but that if the TurboVet initiative was to succeed, it was absolutely critical that there be a live demonstration of the system, and that it was critical that the system be demonstrated soon, so as not to miss the next USDVA budget cycle. Mr. Egland added that a total of 120 days would be needed – 30 days to get the system up and running and 90 days to demonstrate the system. He said that in his opinion, it was important that the right system be developed that takes into account the needs of the veteran and the Commonwealth of Virginia, before the system is handed over to the USDVA.

Mr. Gross said that he still had several questions, and made a **motion** to table and refer the issue to the Finance Committee. The motion was seconded by Ms. Christopher. There was no further discussion. The vote was six in favor and one against to table and refer to the Finance Committee.

Report of February 28, 2008 Fundraiser

Chairman Wickersham recognized Ms. Joan Washburn, and asked her to give a report on the February 28, 2008 Wounded Warrior Mental Health Care fundraising event.

Ms. Washburn thanked everyone who helped to make the first Wounded Warrior Mental Health Care fundraising event a success. She singled out the following:

- Mr. Hilgers for his assistance in obtaining the support of members of the House of Delegates
- Attorney General Bob McDonnell for appearing at the event
- Commissioner Burgess for his support and encouragement
- Mr. Galanti for going on fundraising presentations with her
- Mr. Wilder for going on fundraising presentations with her and for sending so many e-mails to potential donors
- L.F. Payne and McGuire Woods for hosting the event, for sending out a press release
- Major General Robert Newman for all his support

Ms. Washburn reported that over 160 people attended the event, including Governor Kaine, who made a statement of support.

She said that approximately \$30,500 was raised, with an additional \$20,000 in pledges. She said that she was still making follow-up calls and that donations were still coming in.

Ms. Washburn stated that a special account had been set up at the Military Family Support Center for the Wounded Warrior Mental Health Care fundraising. She said that a retired CPA is donating his time to manage the account and to prepare reports.

Ms. Washburn stressed the importance of a mission statement, and thanked Mr. Hilgers and Mr. Combs for helping to develop it. She reported that she had received a \$2,500 donation from Optical Cable in Roanoke simply by faxing the mission statement and invitation. She also stated that it was important to recruit a strong host committee, because the members of the host committee could usually be counted on to make a donation and to solicit donations.

Ms. Washburn said that the donation from the Military Family Support Center to the Veterans Services Foundation would be made after the third fundraising event – or sometime in July. She pointed the Foundation members to the second page of the revised copy of the fundraising proposal, which has an estimate of profits for the three fundraising events. She said her goal was for the donation to be over \$100,000. She said an itemized report would be provided detailing all expenses incurred.

Ms. Washburn gave an overview of the planning for upcoming fundraising events in Lexington (VMI), Hampton Roads, Northern Virginia, and at the Virginia War Memorial.

Public Comment Period

There was no public comment

Adjourn

Chairman Wickersham asked for a motion to close the meeting. Ms. Christopher made a **motion** to adjourn, which was seconded by Mr. Galanti. There being no further business, a unanimous decision was made to adjourn. The meeting adjourned at 2:25 p.m.